

Department of Justice

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TAX-PREPARER SENTENCED

Owner of Data Concepts, Inc. Sentenced for False Tax Return Preparation

Syracuse, New York—United States Attorney Richard S. Hartunian and Special Agent in Charge, Internal Revenue Service Criminal Investigation, Patricia J. Haynes, announced that RICHARD PACIFIC, 66, of Baldwinsville, NY, was sentenced today in United States District Court in Utica, NY.

United States District Court Judge David N. Hurd sentenced PACIFIC to a term of three years probation during which time PACIFIC is prohibited from engaging in income tax preparation services or the supervision of income tax preparation services. Judge Hurd also sentenced PACIFIC to 200 hours of community service and ordered him to pay a \$10,000 fine.

PACIFIC owned and operated Data Concepts, Inc. ("DCI") located on South Franklin Street in Syracuse, NY . Founded in 1969 as a data input and processing company, DCI later expanded its operations to include tax preparation services. PACIFIC prepared tax returns for approximately 500-600 clients per year. According to his plea agreement, PACIFIC admitted he filed at least 42 tax returns in 2004 and 2005 that included false claims for itemized deductions relating to charitable contributions and job expenses. For these two tax years, PACIFIC created approximately \$415,088 in false deductions which resulted in an approximate tax loss to the government of \$87,799.

Special Agents with the IRS's New York Field Office of the Criminal Investigation Division ("CID") investigated the case. IRS Special Agent in Charge, Patricia J. Haynes stated that the prosecution of this case, "represents the ongoing commitment of the IRS CID to ensure that all tax preparers who engage in illegal activity will be investigated and prosecuted to the fullest extent of the law."

The case was prosecuted by Assistant United States Attorney Carla Freedman of the United States Attorney's Office for the Northern District of New York. For further information, please contact Ms. Freedman at 315-448-0672.

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